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AMENDMENTS TO LB 440

(Amendments to AM1414)

1 1. Strike the original sections and insert the following
2 new sections:

3 "Section 1. Section 18-2603, Revised Statutes
4 Supplement, 2002, is amended to read:

5 18-2603. For purposes of the Municipal Infrastructure
6 Redevelopment Fund Act:

7 (1) Bond means any evidence of indebtedness, including,
8 but not limited to, bonds, notes including notes issued pending
9 long-term financing arrangements, warrants, debentures, obligations
10 under a loan agreement or a lease-purchase agreement, or any
11 similar instrument or obligation;

12 (2) Fund means the Municipal Infrastructure Redevelopment
13 Fund;

14 (3) Infrastructure project means any of the following
15 projects, or any combination thereof, to be owned or operated by a
16 municipality: Solid waste management facilities; wastewater, storm
17 water, and water treatment works and systems, water distribution
18 facilities, and water resources projects, including, but not
19 limited to, pumping stations, transmission lines, and mains and
20 their appurtenances; hazardous waste disposal systems; resource
21 recovery systems; airports; port facilities; buildings and capital
22 equipment used in the operations and activities of municipal
23 government and to provide services to the residents of the

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1 municipality; convention and tourism facilities; redevelopment
2 projects as defined in section 18-2103; and mass transit and other
3 transportation systems, including parking facilities and excluding
4 public highways and bridges and municipal roads, streets, and
5 bridges;

6 (4) Municipal allocation amount means, for each
7 municipality, the amount derived by multiplying the amount to be
8 allocated by the fraction determined by dividing the total
9 population of the municipality by the total population of the state
10 living in municipalities, each as determined by the most recent
11 federal census figures certified by the Tax Commissioner as
12 provided in section 77-3,119; and

13 (5) Municipality means any city of any class or any
14 village in the state, except that for fiscal years 2003-04 and
15 2004-05, municipality means only cities of the primary class.

16 Sec. 2. Section 77-2602, Revised Statutes Supplement,
17 2002, is amended to read:

18 77-2602. (1) Every person engaged in distributing or
19 selling cigarettes at wholesale in this state shall pay to the Tax
20 Commissioner of this state a special privilege tax. This shall be
21 in addition to all other taxes. It shall be paid prior to or at
22 the time of the sale, gift, or delivery to the retail dealer in the
23 several amounts as follows: On each package of cigarettes
24 containing not more than twenty cigarettes, sixty-four cents per
25 package until October 1, 2004, and thirty-four cents per package
26 commencing October 1, 2004; and on packages containing more than
27 twenty cigarettes, the same tax as provided on packages containing

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1 not more than twenty cigarettes for the first twenty cigarettes in
2 each package and a tax of one-twentieth of the tax on the first
3 twenty cigarettes on each cigarette in excess of twenty cigarettes
4 in each package. Commencing July 1, 1994, and continuing until
5 July 1, 2005, the State Treasurer shall place the equivalent of
6 twenty-one cents of such tax less five hundred twenty thousand
7 dollars each fiscal year of proceeds of such tax in the General
8 Fund. Commencing July 1, 2005, and continuing until July 1, 2009,
9 the State Treasurer shall place the equivalent of twenty-one cents
10 of such tax less three million dollars each fiscal year of proceeds
11 of such tax in the General Fund. Commencing July 1, 2009, the
12 State Treasurer shall place the equivalent of twenty-one cents of
13 such tax in the General Fund. For purposes of this section, the
14 equivalent of a specified number of cents of the tax shall mean
15 that portion of the proceeds of the tax equal to the specified
16 number divided by the tax rate per package of cigarettes containing
17 not more than twenty cigarettes. The State Treasurer shall
18 distribute the remaining proceeds of such tax in the following
19 order:

20 (a) First, beginning July 1, 1980, the State Treasurer
21 shall place the equivalent of one cent of such tax in the Nebraska
22 Outdoor Recreation Development Cash Fund. For fiscal year
23 distributions occurring after FY1998-99, the distribution under
24 this subdivision shall not be less than the amount distributed
25 under this subdivision for FY1997-98. Any money needed to increase
26 the amount distributed under this subdivision to the FY1997-98
27 amount shall reduce the distribution to the General Fund;

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1 (b) Second, beginning July 1, 1993, the State Treasurer
2 shall place the equivalent of three cents of such tax in the
3 Department of Health and Human Services Finance and Support Cash
4 Fund to carry out sections 81-637 to 81-640. For fiscal year
5 distributions occurring after FY1998-99, the distribution under
6 this subdivision shall not be less than the amount distributed
7 under this subdivision for FY1997-98. Any money needed to increase
8 the amount distributed under this subdivision to the FY1997-98
9 amount shall reduce the distribution to the General Fund;

10 (c) Third, beginning July 1, 2001, and continuing until
11 October 1, 2002, the State Treasurer shall place the equivalent of
12 five cents of such tax in the Building Renewal Allocation Fund.
13 Beginning October 1, 2002, and continuing until October 1, 2004,
14 the State Treasurer shall place the equivalent of seven cents of
15 such tax in the Building Renewal Allocation Fund. Beginning
16 October 1, 2004, and continuing until all the purposes of the
17 Deferred Building Renewal Act have been fulfilled, the State
18 Treasurer shall place the equivalent of five cents of such tax in
19 the Building Renewal Allocation Fund. The Legislature shall
20 appropriate each fiscal year all sums inuring to the fund, plus
21 interest earnings for the Task Force for Building Renewal to be
22 used to carry out its duties and to fulfill the purposes of the
23 Deferred Building Renewal Act. Unexpended balances existing at the
24 end of each fiscal year shall be, and are hereby, reappropriated.
25 For fiscal year distributions occurring after FY1998-99, the
26 distribution under this subdivision shall not be less than
27 five-sevenths of the amount distributed under this subdivision for

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1 FY1997-98. Any money needed to increase the amount distributed
2 under this subdivision to five-sevenths of the FY1997-98 amount
3 shall reduce the distribution to the General Fund;

4 (d) Fourth, until October 1, 2002, and beginning on
5 October 1, 2004, the State Treasurer shall place the difference
6 between the equivalent of thirteen cents of such tax and the sum of
7 the amounts distributed pursuant to subdivisions (a) through (c)
8 and (f) through (h) of this subsection in a special fund to be
9 known as the Nebraska Capital Construction Fund. Beginning October
10 1, 2002, and continuing until October 1, 2004, the State Treasurer
11 shall place the difference between the equivalent of forty-three
12 cents of such tax and the sum of the amounts distributed pursuant
13 to subdivisions (a) through (c) and (f) through (i) of this
14 subsection in the Nebraska Capital Construction Fund;

15 (e) Fifth, continuing until July 1, 2005, the State
16 Treasurer shall place in the Municipal Infrastructure Redevelopment
17 Fund the sum of five hundred twenty thousand dollars each fiscal
18 year to carry out the Municipal Infrastructure Redevelopment Fund
19 Act, and beginning July 1, ~~1994~~ 2005, and continuing until July 1,
20 2009, the State Treasurer shall place in the Municipal
21 Infrastructure Redevelopment Fund the sum of three million dollars
22 each fiscal year to carry out the Municipal Infrastructure
23 Redevelopment Fund Act. The Legislature shall appropriate the sum
24 of five hundred twenty thousand dollars each year for fiscal years
25 2003-04 and 2004-05. The Legislature shall appropriate the sum of
26 three million dollars each year for fiscal year ~~1994-95~~ 2005-06
27 through fiscal year 2008-09;

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1 (f) Sixth, beginning July 1, 2001, the State Treasurer
2 shall place the equivalent of two cents of such tax in the
3 Information Technology Infrastructure Fund;

4 (g) Seventh, beginning July 1, 2001, and continuing until
5 June 30, 2016, the State Treasurer shall place one million dollars
6 each fiscal year in the City of the Primary Class Development Fund.
7 If necessary, the State Treasurer shall reduce the distribution of
8 tax proceeds to the General Fund pursuant to this subsection by
9 such amount required to fulfill the one million dollars to be
10 distributed pursuant to this subdivision;

11 (h) Eighth, beginning July 1, 2001, and continuing until
12 June 30, 2016, the State Treasurer shall place one million five
13 hundred thousand dollars each fiscal year in the City of the
14 Metropolitan Class Development Fund. If necessary, the State
15 Treasurer shall reduce the distribution of tax proceeds to the
16 General Fund pursuant to this subsection by such amount required to
17 fulfill the one million five hundred thousand dollars to be
18 distributed pursuant to this subdivision; and

19 (i) Ninth, beginning October 1, 2002, and continuing
20 until October 1, 2004, the State Treasurer shall place the
21 equivalent of twenty-eight cents of such tax in the Cash Reserve
22 Fund.

23 (2) The Legislature hereby finds and determines that the
24 projects funded from the Municipal Infrastructure Redevelopment
25 Fund and the Building Renewal Allocation Fund are of critical
26 importance to the State of Nebraska. It is the intent of the
27 Legislature that the allocations and appropriations made by the

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1 Legislature to such funds or, in the case of allocations for the
2 Municipal Infrastructure Redevelopment Fund, to the particular
3 municipality's account not be reduced until all contracts and
4 securities relating to the construction and financing of the
5 projects or portions of the projects funded from such funds or
6 accounts of such funds are completed or paid or, in the case of the
7 Municipal Infrastructure Redevelopment Fund, the earlier of such
8 date or July 1, 2009, and that until such time any reductions in
9 the cigarette tax rate made by the Legislature shall be
10 simultaneously accompanied by equivalent reductions in the amount
11 dedicated to the General Fund from cigarette tax revenue. Any
12 provision made by the Legislature for distribution of the proceeds
13 of the cigarette tax for projects or programs other than those to
14 (a) the General Fund, (b) the Nebraska Outdoor Recreation
15 Development Cash Fund, (c) the Department of Health and Human
16 Services Finance and Support Cash Fund, (d) the Municipal
17 Infrastructure Redevelopment Fund, (e) the Building Renewal
18 Allocation Fund, (f) the Information Technology Infrastructure
19 Fund, (g) the City of the Primary Class Development Fund, (h) the
20 City of the Metropolitan Class Development Fund, and (i) the Cash
21 Reserve Fund shall not be made a higher priority than or an equal
22 priority to any of the programs or projects specified in
23 subdivisions (a) through (i) of this subsection.

24 Sec. 3. Original sections 18-2603 and 77-2602, Revised
25 Statutes Supplement, 2002, are repealed.".